



**DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services**

**James Randolph Farris, M.D.
Regional Administrator**

1301 Young Street, Room 714
Dallas, Texas 75202
Phone (214) 767-6427
Fax (214) 767-6400

April 30, 2002

Our Reference: WA-TX0240.90.R1.03

Ms. Linda K. Wertz, State Medicaid Director
Health and Human Services Commission
Post Office Box 13247
Austin, TX 78711

Dear Ms. Wertz:

I am pleased to inform you that your amendment request for the Texas Home and Community-Based Services Waiver (HCBSW) No. 0240.90.R1.03 (HCS-O) has been approved with an effective date of September 1, 2001. This HCBSW program, as authorized under the provisions of section 1915 (c) of the Social Security Act, assures continuity of community services for former nursing facility residents with mental retardation or related conditions who are found, through the PASARR process mandated by OBRA 1987, to require services at the level of an Intermediate Care Facility for the Mentally Retarded (ICF/MR). This amendment has been assigned control number 0240.90.R1.03 which should be used in all future correspondence regarding the program.

Specifically, the amendment reflects changes to the state's designations of ICF/MR levels of care. The previous levels of care designated as I, V, and VI and the criteria for each have been combined under one criteria designated as level of care I. This change does not affect the eligibility for the HCS-O program as individuals previously eligible for levels of care I, V, and VI are now eligible for level of care I. Although there are some changes in Factor "D," there is no change to the cost neutrality for the program associated with this amendment.

The following estimates of utilization and cost have been approved:

Year	Unduplicated Recipients	Factor "D"
2	97	\$42,933.10
3	97	\$43,871.69
4	97	\$44,955.57
5	97	\$46,074.53

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For your convenience, a copy of the approved amendment is included with this correspondence. If you have any questions, please contact Gerardo Ortiz at 214-767-2084.

Sincerely,

James Randolph Farris, M.D.
Regional Administrator

Enclosure

cc: Director, Center for Medicaid and State Operations